

INTERREGIONAL DISTRIBUTION GRID
COMPANY OF CENTRE,
PUBLIC JOINT-STOCK COMPANY

CEO
Oleg Isaev

**On approval
of the Annual Report
of IDGC of Centre, PJSC for 2017**



ROSSETI



IDGC OF CENTRE

OVERVIEW



IDGC of Centre is a natural monopoly and its tariff rates are regulated by executive authorities

TYPES OF ACTIVITY

- ✓ Transmission and distribution of electric energy
- ✓ Grid connections
- ✓ Energy services

SERVICE AREA

11
subjects of Russia

OPERATION AREA

458
thous. km²

(2,7 % of total Russia)

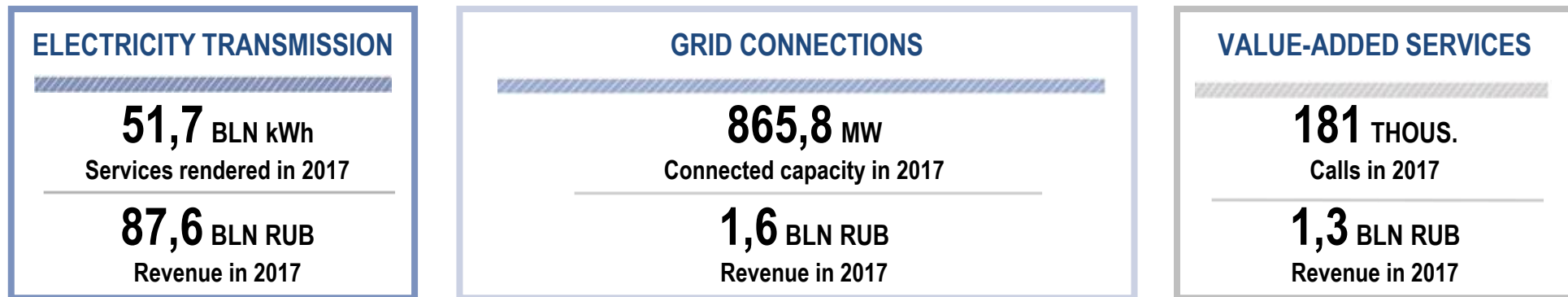
POPULATION IN THE SERVICE AREA

13,6
mln people

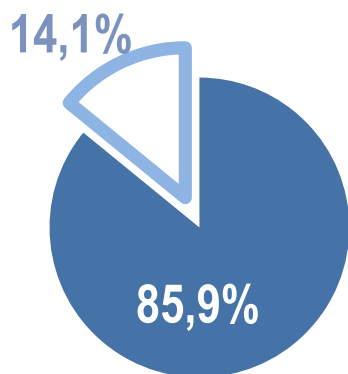
(9,5 % of total population of Russia)

PERFORMANCE SUMMARY FOR 2017

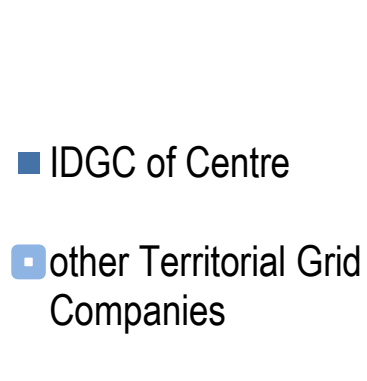
TYPES OF ACTIVITY OF IDGC OF CENTRE



Electricity transmission market share in the service area* for 2017, %



Grid connection market share in the service area for 2017, %



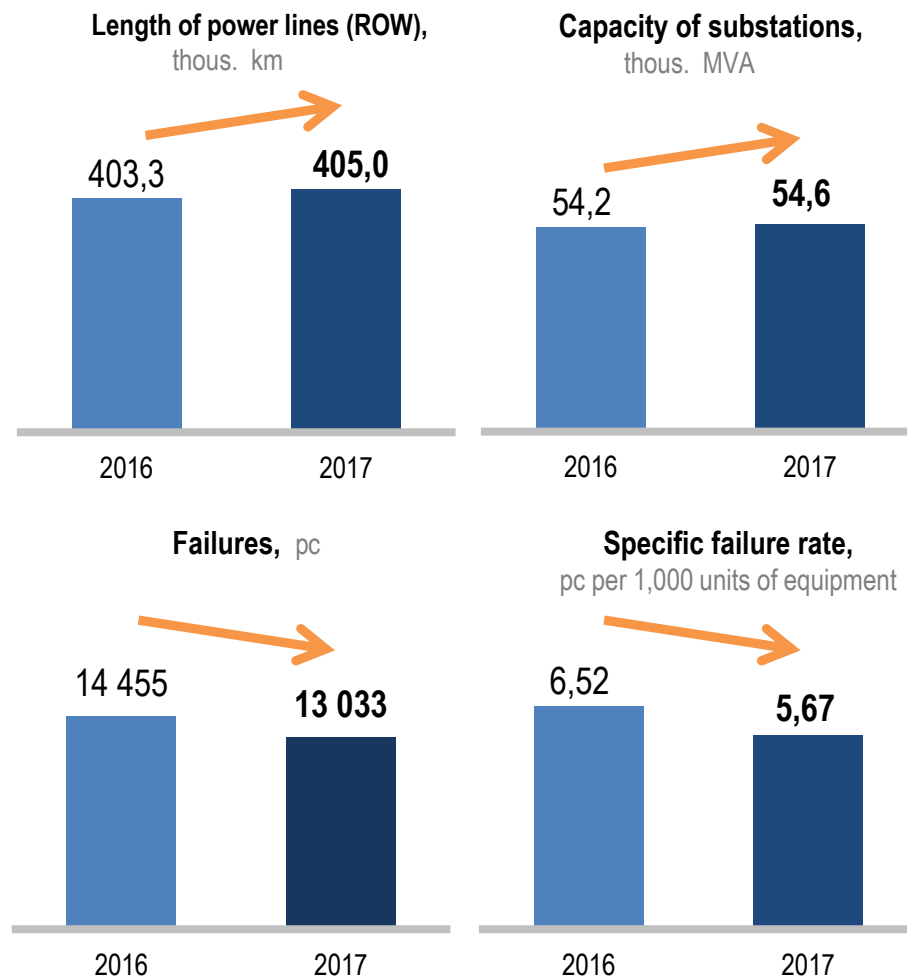
* Share of required gross revenue (RGR) of IDGC of Centre in RGR of the regions

PRODUCTION CAPACITY FOR 2017

INDICATOR

31.12.2017

Length of 0.4-110 kV conductors (ROW), thous. km	386,4
Length of 35-110 kV conductors, thous. km	52,0
Length of 0.4-10 kV conductors, thous. km	334,4
Length of 0.4-110 kV cables, thous. km	18,6
Capacity of substations, thous. MVA	54,6
Capacity of 35-110 kV substations, thous. MVA	34,5
Capacity of 6-10/0.4 kV transformer and distribution substations, thous. MVA	20,1
Number of substations, thous. pc	103,0
Number of 35-110 kV substations, thous. pc	2,4
Number of 6-10/0.4 kV transformer and distribution substations, thous. pc	100,6
Number of conditional units, mln	2,3
Number of Distribution Zones, pc	277

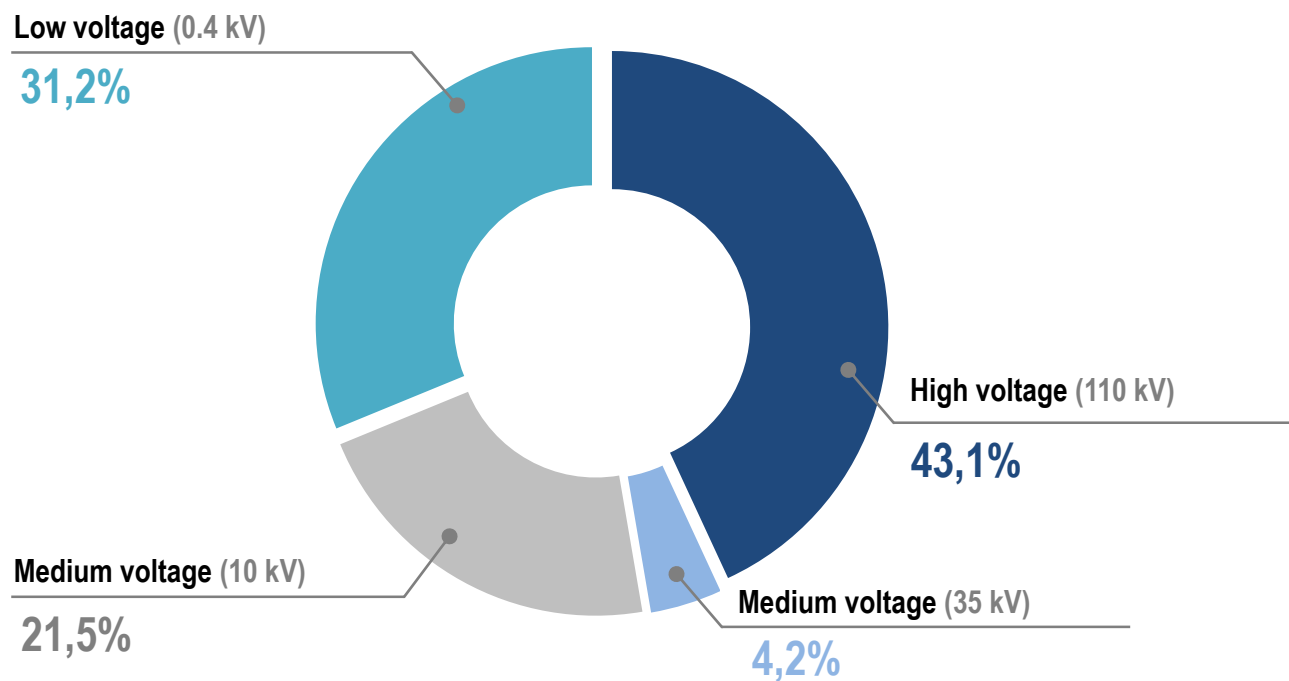


* Taking into account the equipment on the balance, rental equipment, leased equipment and equipment serviced under contracts

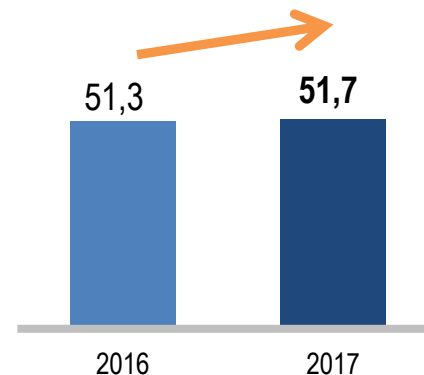
OPERATION RESULTS FOR 2017

ELECTRICITY TRANSMISSION

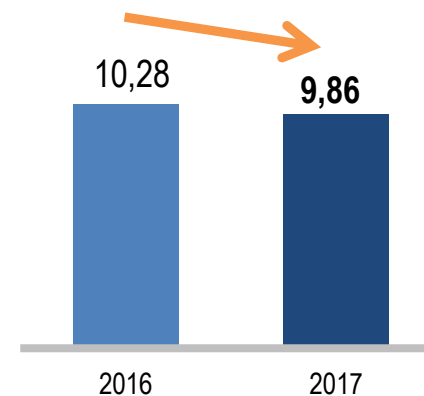
Electric energy net supply structure by voltage levels
(amount of electric energy transmission services), %



Amount of electric energy transmission services (in comparable conditions*), bln kWh



Electric energy losses (in comparable conditions*), %

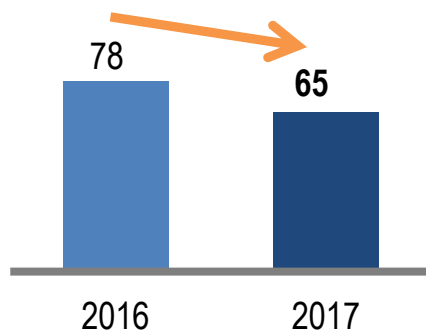


* In comparable conditions of electricity balance

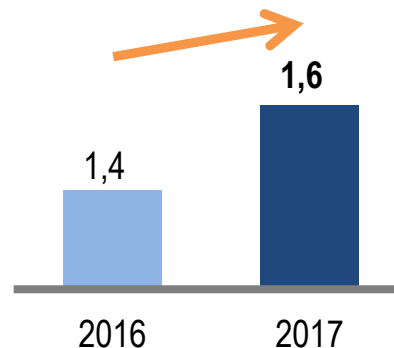
OPERATION RESULTS FOR 2017

GRID CONNECTION

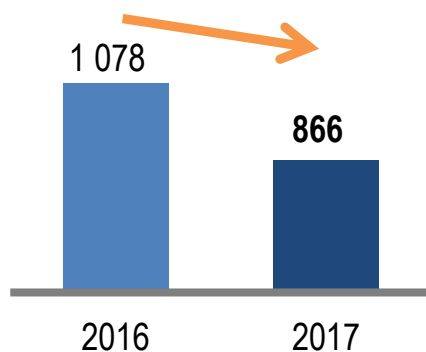
Average grid connection contract execution term, days



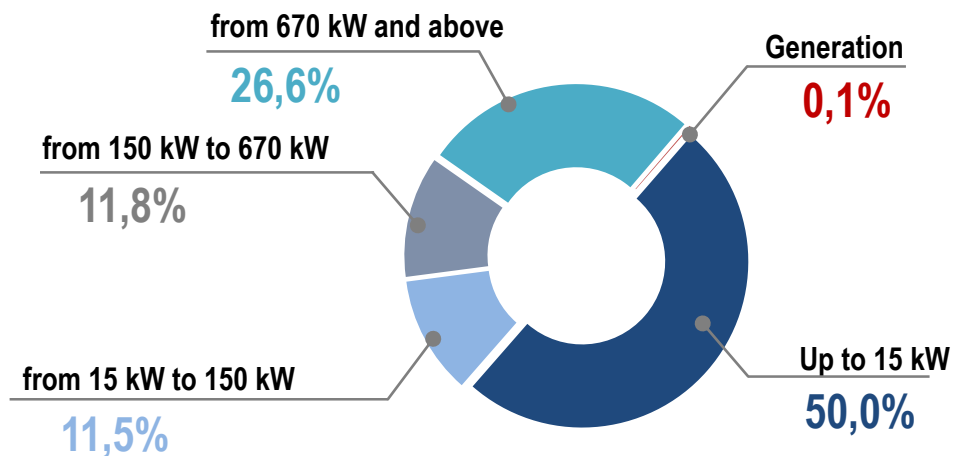
Revenue, bln RUB



Connected capacity, MW

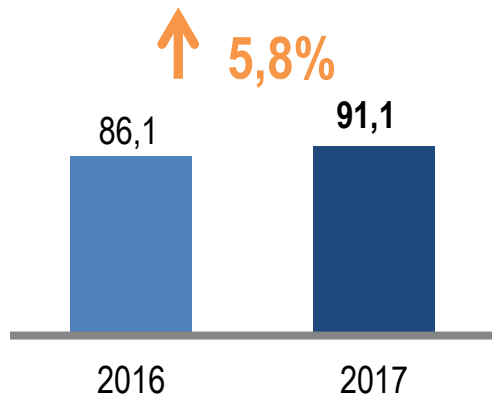


Connected capacity structure by customer groups, %

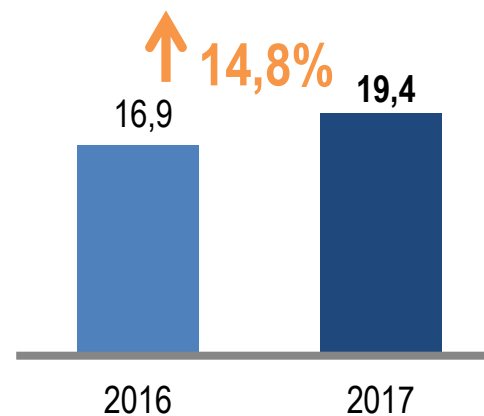


KEY FINANCIALS UNDER RAS FOR 2017

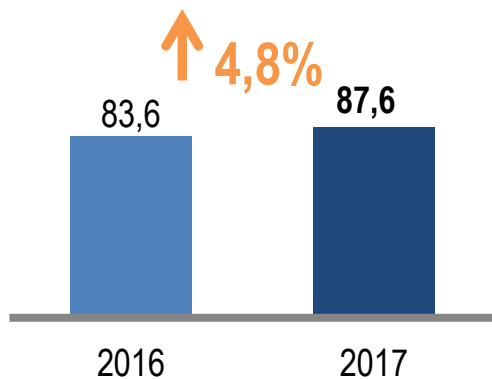
REVENUE, bln RUB



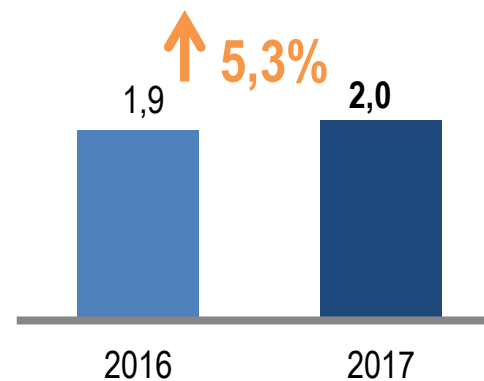
EBITDA, bln RUB



ELECTRICITY TRANSMISSION REVENUE, bln RUB

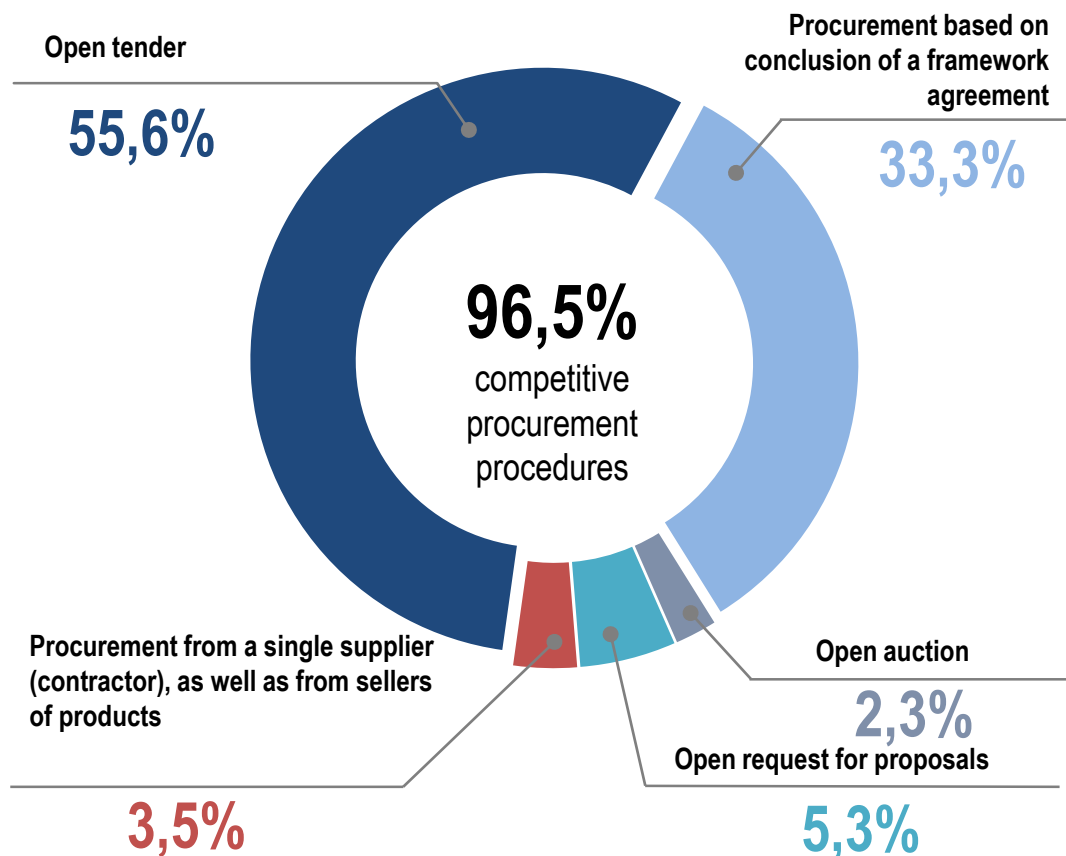


NET PROFIT, bln RUB



PROCUREMENT

STRUCTURE OF PURCHASING BY METHODS OF THEIR CONDUCT



RESULTS OF PURCHASING ACTIVITY FOR 2017



5,7 thous.

trade and procurement procedures



25,4 bln RUB (without VAT)

total cost of procurement procedures



0,9 bln RUB (without VAT)

economic effect of competitive procedures
or 3,3 %



64,9%

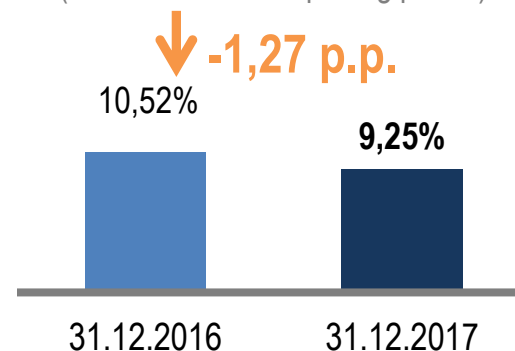
annual volume of purchases from small and medium-sized enterprises

FINANCIAL STANDING

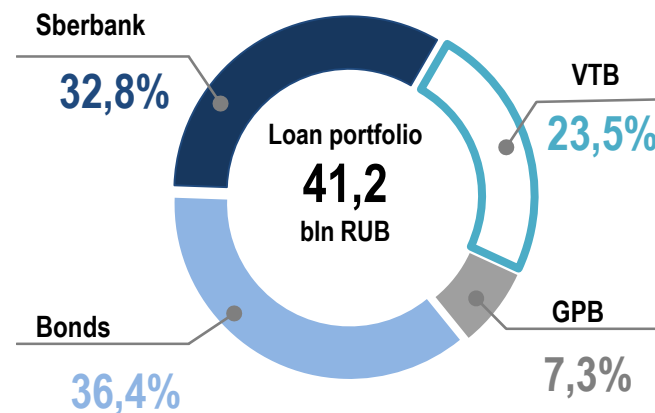
RAS	31.12.2016	31.12.2017
Net debt*, bln RUB	40,7	40,1
Net debt/EBITDA	2,4	2,1

Agency	Scale	Rating	Outlook
S&P	international, long-term	BB	Stable
S&P	international, short-term	B	—
RAEX	national, long-term	ruAA	Stable
NRA	national	AA	—

Average weighted borrowing rate
of IDGC of Centre
(at the end of the reporting period)



Loan portfolio structure of IDGC of
Centre (as at 31.12.2017)



* Net debt is calculated as follows: long-term debt + short-term debt – cash and cash equivalents - short-term financial investments

INVESTMENT PROGRAM

Actual implementation of the Investment Program for 2017

INDICATOR	PLAN* 2017	FACT 2017	% IMPLEMENTED
Capex, mln RUB without VAT	11 475	11 756	102,4%
Financing, mln RUB with VAT	13 799	14 198	102,9%
Commissioning, MVA	480	560	116,7%
Commissioning, km	3 471	4 075	117,4%

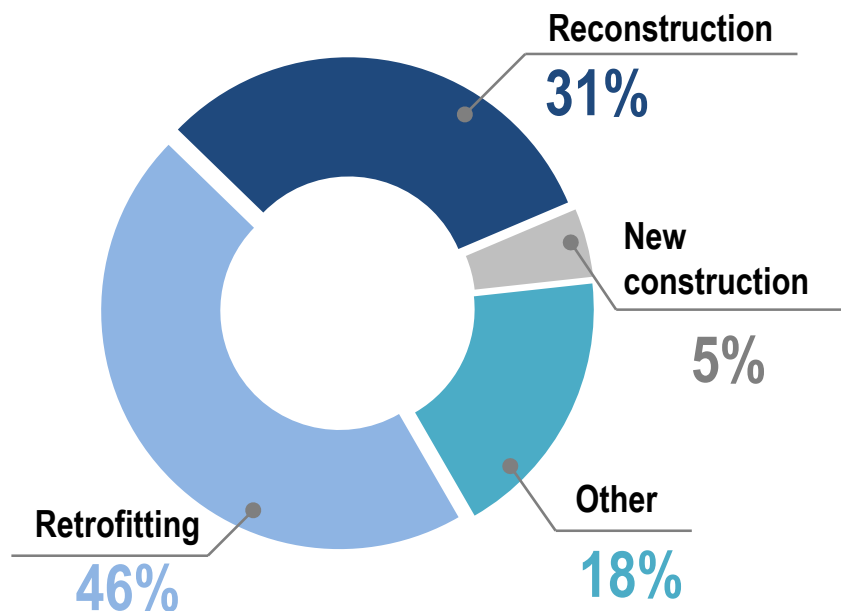
* According to Order of the Ministry of Energy of Russia dated 14.11.2017 № 17@

Implemented priority facilities of the Investment Program for 2017

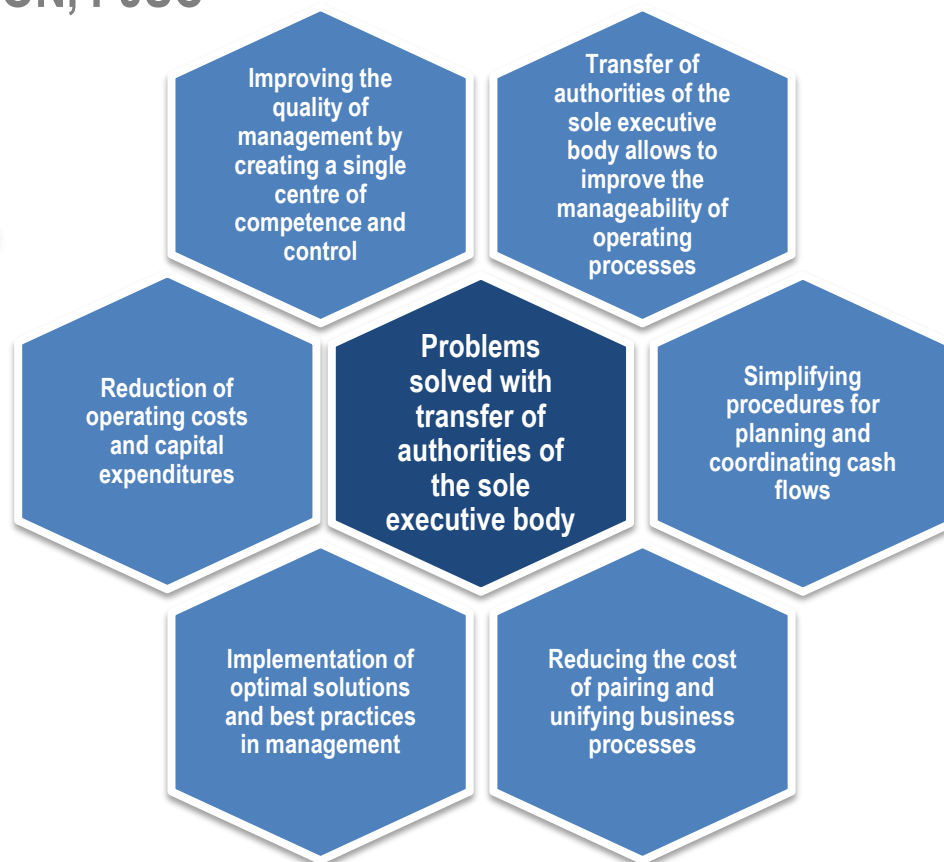
Substation 110/35/10 kV "Malinovka" (BELGOROD REGION)

- Design capacity 32 MVA
- Reliability increase
- Implementation of modern technologies

Structure of the Investment Program financing following its implementation in 2017



TRANSFER OF AUTHORITIES OF SOLE EXECUTIVE BODY OF IDGC OF CENTRE AND VOLGA REGION, PJSC



Strategic objectives of the project implementation for the integration of management systems:

Increase of reliability and uninterrupted power supply to customers

Decrease in losses with simultaneous growth in quality of service delivery

Increase in current production and financial efficiency with simultaneous reduction of operating costs and capital expenditures

CORPORATE GOVERNANCE & STOCKS



**LIST OF SECURITIES, ADMITTED TO TRADING
AT MOSCOW EXCHANGE**



**BY LIQUIDITY
AMONG COMPANIES IN THE SECTOR**



Capitalization as at 31.12.2017 – 15,1 bln RUB



**CORPORATE GOVERNANCE RATING
NP "RID"**



**SELF-ASSESSMENT OF CORPORATE GOVERNANCE
BY THE METHOD OF THE FEDERAL PROPERTY
MANAGEMENT AGENCY
(OUT OF 551 POSSIBLE, WHICH CORRESPONDS TO
80,35 %)**

AWARDS AND ACHIEVEMENTS



Annual report of IDGC of Centre for 2016 became the winner of the XX Annual contest of annual reports in the main nomination "The best annual report of the company with a capitalization of up to 40 bln RUB" and in the additional nomination "The best disclosure on the corporate website"



Annual report of IDGC of Centre for 2016 is noted in the international LACP contest: **Silver award** in the sector "Power Supply - Electric Utilities", entered the **top 20** among the reports of the largest Russian companies and **top 80** participating companies in the region "Europe, Middle East and Africa"



IR-section of IDGC of Centre's website took the **2nd place** among all participants of the IR-sections contest of corporate sites organized by NP "ARFI" and EQS GROUP

HUMAN RESOURCES AND SOCIAL RESPONSIBILITY



29,2 mln RUB

spent on the Environmental Policy Implementation Program



29 612 persons

average headcount



97 %

staffing level



87,0 %

employees have a vocational education



88,2 mln RUB

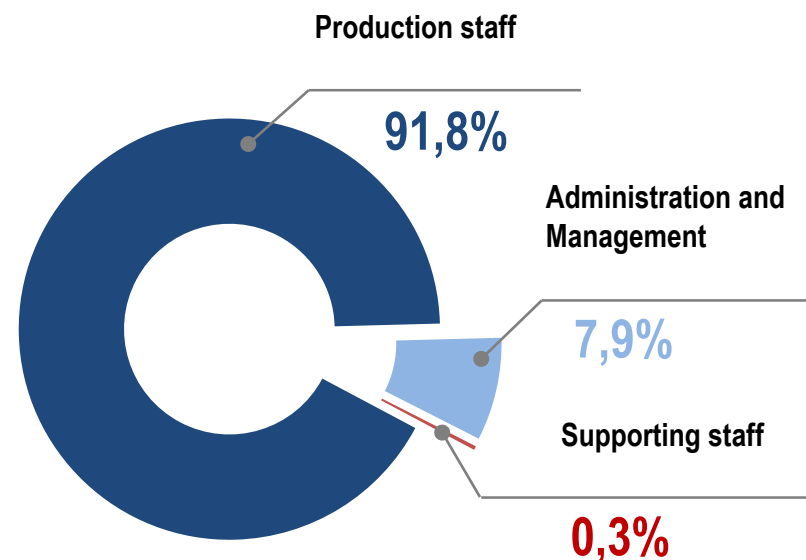
training costs



405,6 mln RUB

spent on the Program to reduce risk of injury

Distribution of trained workers by category in 2017, %



THANKS FOR YOUR ATTENTION

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